

United States Attorney Southern District of New York

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FORMER NYC-TV CHIEF OPERATING OFFICER AND MEDIA COMPANY OWNER ARRESTED FOR EMBEZZLING MORE THAN \$60,000 FROM NYC-TV

LEV L. DASSIN, the Acting United States Attorney for the Southern District of New York, and ROSE GILL HEARN, the Commissioner of the New York City Department of Investigation ("DOI"), announced that TREVOR SCOTLAND, the former Chief Operating Officer of NYC-TV, and VINCENT R. TAYLOR, the owner of VRT Multimedia, Inc., were arrested today for diverting more than \$60,000 in payments for advertising production work done by NYC-TV to a media company owned by TAYLOR. SCOTLAND and TAYLOR were each charged with one count of conspiracy to commit federal wire fraud. Both defendants are expected to be presented later today before United States Magistrate Judge ANDREW J. PECK in Manhattan federal court.

As alleged in the Complaint unsealed today in Manhattan federal court:

Until approximately March 13, 2009, SCOTLAND was the Chief Operating Officer of NYC-TV, a television station operated and funded in part by New York City. As part of its operations, NYC-TV produced commercials for advertisers to be aired during its television programming. NYC-TV also aired commercials produced by others.

On a number of occasions between March 2007 through April 2008, SCOTLAND directed advertisers to pay a company owned and operated by TAYLOR, VRT Multimedia, Inc. ("VRT"), for advertising production work that had actually been done by NYC-TV. After VRT received these payments, TAYLOR issued checks on a bank account in VRT's name either to SCOTLAND directly or to make

payments on credit cards in SCOTLAND's name. The payments to SCOTLAND typically amounted to approximately 80% of the money VRT had received from the advertisers. TAYLOR kept the remainder of the money. In total SCOTLAND and TAYLOR diverted more than \$60,000 in payments from NYC-TV to VRT.

SCOTLAND and TAYLOR are each charged with one count of conspiracy to commit wire fraud. The charge carries a maximum sentence of twenty years in prison.

Mr. DASSIN praised the investigative work of DOI.

The case is being prosecuted by the Office's Public Corruption Unit. Assistant United States Attorney BRENT WIBLE is in charge of the prosecution.

The charge contained in the Complaint are merely accusations, and the defendants are presumed innocent unless and until proven guilty.

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